

PATENT COOPERATION TREATY

From the
INTERNATIONAL PRELIMINARY EXAMINING AUTHORITY

PCT

WRITTEN OPINION

(PCT Rule 66)

RECEIVED

APR 3 2001

Date of Mailing
(day/month/year)

29 MAR 2001

| | | | |
|--|--|---|--------------------------------|
| Applicant's or agent's file reference | | REPLY DUE | |
| GRAYBEAL JACKSON HALEY LLP 1624-16-1 | | within TWO months from the above date of mailing | |
| International application No. | International filing date (day/month/year) | | Priority date (day/month/year) |
| PCT/US00/14592 | 26 MAY 2000 | | 28 MAY 1999 |
| International Patent Classification (IPC) or both national classification and IPC IPC(7): G06K 5/00, 7/02, 15/00 and US Cl.: 235/449, 379, 380, 382, 487, 493 | | | |
| Applicant UTM SYSTEMS CORPORATION | | | |

1. This written opinion is the first (first, etc.) drawn by this International Preliminary Examining Authority.
2. This opinion contains indications relating to the following items:
 - I Basis of the opinion
 - II Priority
 - III Non-establishment of opinion with regard to novelty, inventive step or industrial applicability
 - IV Lack of unity of invention
 - V Reasoned statement under Rule 66.2(a)(ii) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement
 - VI Certain documents cited
 - VII Certain defects in the international application
 - VIII Certain observations on the international application
3. The applicant is hereby invited to reply to this opinion.

| | |
|-------|--|
| When? | See the time limit indicated above. The applicant may, before the expiration of that time limit, request this Authority to grant an extension, see Rule 66.2(d). |
| How? | By submitting a written reply, accompanied, where appropriate, by amendments, according to Rule 66.3. For the form and the language of the amendments, see Rules 66.8 and 66.9. |
| Also | For an additional opportunity to submit amendments, see Rule 66.4. For the examiner's obligation to consider amendments and/or arguments, see Rule 66.4 bis. For an informal communication with the examiner, see Rule 66.6. |

If no reply is filed, the international preliminary examination report will be established on the basis of this opinion.
4. The final date by which the international preliminary examination report must be established according to Rule 69.2 is: 28 SEPTEMBER 2001

| | |
|--|--|
| Name and mailing address of the IPEA/US Commissioner of Patents and Trademarks Box PCT Washington, D.C. 20231 Facsimile No. (703) 305-3230 | Authorized officer DANIEL ST. CYR Telephone No. (703) 305-2656 |
|--|--|

Form PCT/IPEA/408 (cover sheet) (July 1998) *

ENTERED IN DOCKET
FOR: 5-2901-Sub-A
ON: 5-29-01 BY: PC

WRITTEN OPINION

International application No.

PCT/US00/14592

I. Basis of the opinion

1. With regard to the elements of the international application: *

 the international application as originally filed the description:

pages 1-14, as originally filed

pages NONE, filed with the demand

pages NONE, filed with the letter of _____

 the claims:

pages 15-18, as originally filed

pages NONE, as amended (together with any statement) under Article 19

pages NONE, filed with the demand

pages NONE, filed with the letter of _____

 the drawings:

pages 1-6, as originally filed

pages NONE, filed with the demand

pages NONE, filed with the letter of _____

 the sequence listing part of the description:

pages NONE, as originally filed

pages NONE, filed with the demand

pages NONE, filed with the letter of _____

2. With regard to the language, all the elements marked above were available or furnished to this Authority in the language in which the international application was filed, unless otherwise indicated under this item.

These elements were available or furnished to this Authority in the following language _____ which is:

 the language of a translation furnished for the purposes of international search (under Rule 23.1(b)). the language of publication of the international application (under Rule 48.3(b)). the language of the translation furnished for the purposes of international preliminary examination (under Rules 55.2 and/or 55.3).

3. With regard to any nucleotide and/or amino acid sequence disclosed in the international application, the written opinion was drawn on the basis of the sequence listing:

 contained in the international application in printed form. filed together with the international application in computer readable form. furnished subsequently to this Authority in written form. furnished subsequently to this Authority in computer readable form. The statement that the subsequently furnished written sequence listing does not go beyond the disclosure in the international application as filed has been furnished. The statement that the information recorded in computer readable form is identical to the written sequence listing has been furnished.4. The amendments have resulted in the cancellation of: the description, pages NONE the claims, Nos. NONE the drawings, sheets/fig NONE This opinion has been drawn as if (some of) the amendments had not been made, since they have been considered to go beyond the disclosure as filed, as indicated in the Supplemental Box (Rule 70.2(c)).

* Replacement sheets which have been furnished to the receiving Office in response to an invitation under Article 14 are referred to in this opinion as "originally filed".

WRITTEN OPINION

International application No.

PCT/US00/14592

V. Reasoned statement under Rule 66.2(a)(ii) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement**1. statement**

| | | |
|-------------------------------|--------------------|-----|
| Novelty (N) | Claims <u>NONE</u> | YES |
| | Claims <u>1-24</u> | NO |
| Inventive Step (IS) | Claims <u>1-24</u> | YES |
| | Claims <u>NONE</u> | NO |
| Industrial Applicability (IA) | Claims <u>1-24</u> | YES |
| | Claims <u>NONE</u> | NO |

2. citations and explanations

Claims 1-24 lack an inventive step under PCT Article 33(3) as being obvious over Kolls, WO 9,607,134. Kolls discloses a system and method for networking and controlling vending machines comprising: a magnetic card (not shown) is passed through card reader 16 and the information from the magnetic strip of the magnetic card is read by card reader 16. Certain portions of or all of this magnetic information is transmitted over a communication line 40 to a remote credit verification location 46. Communication line 40 can take the form of a telephone line, dedicated telephone line, cellular communication line or a local area network. The type of communication line required will depend upon the location and use of a particular vending machine. A keypad 18 is also provided for entering key code information. A keypad with one or more keys can be provided, depending on the type of user input which may be required. In the case of a bank issued debit card, such as an ATM card, a personal identification number (PIN) may be required (see page 13).

Kolls fails to disclose all details' description of the system, such as encrypting the information before transmitting the information to the server and/or storing each device identification within each device.

However, official notice is taken that it is notorious old and well known in the art and required by the federal trade commission to encrypt financial information before transmitting the information through a medium for preventing unauthorized individuals from intercepting the information. Therefore, it would have been obvious for a person of ordinary skill in the art at the time the invention was made to encrypt the information of Kolls' system before transmitting the information to the server in order to provide a more secure network. With regard to having the device identification information within the device, Kolls discloses controlling the different products within a plurality of vending machines. A code an/or an identification would be required in order to identify each machine and their products in order to provide optimal aid to customers. Therefore, it would have been an obvious expedient.

(Continued on Supplemental Sheet.)

WRITTEN OPINION

International application No.

PCT/US00/14592

VI. Certain documents cited**1. Certain published documents (Rule 70.10)**

| Application No. Patent No. | Publication Date (day/month/year) | Filing Date (day/month/year) | Priority date (valid claim) (day/month/year) |
|-------------------------------|--------------------------------------|---------------------------------|---|
| US, A, 6,056,194 | 02 MAY 2000 | 27 FEBRUARY 2000 | NONE |
| US, A, 6,087,955 | 11 JULY 2000 | 29 JULY 2000 | 07 NOVEMBER 1996 |

2. Non-written disclosures (Rule 70.9)

| Kind of non-written disclosure | Date of non-written disclosure (day/month/year) | Date of written disclosure referring to non-written disclosure (day/month/year) |
|--------------------------------|--|---|
| | | |

WRITTEN OPINION

International application No.

PCT/US00/14592

Supplemental Box

(To be used when the space in any of the preceding boxes is not sufficient)

Continuation of: Boxes I - VIII

Sheet 10

TIME LIMIT:

The time limit set for response to a Written Opinion may not be extended. 37 CFR 1.484(d). Any response received after the expiration of the time limit set in the Written Opinion will not be considered in preparing the International Preliminary Examination Report.

V. 2. REASONED STATEMENTS - CITATIONS AND EXPLANATIONS (Continued):

Claims 1-24 meet the criteria for industrial applicability set out in PCT Article 33(4), because the present claimed invention is useful in the industry.

----- NEW CITATIONS -----

US 5,644,727 A (ATKINS) 01 July 1997 (01.07.1997), see entire document.

WO 9,607,134 (KOLLS) 07 March 1996 (07.03.1996), see entire document.